



Reprinted
February 18, 2015

SENATE BILL No. 212

DIGEST OF SB 212 (Updated February 17, 2015 1:56 pm - DI 104)

Citations Affected: IC 11-10; IC 11-12; IC 12-15; IC 36-2; noncode.

Synopsis: Inmates and Medicaid. Makes the department of correction (department) an inmate's authorized representative for applying for Medicaid for inmates who are potentially eligible for Medicaid and who incur medical care expenses that are not otherwise reimbursable. Requires the department and the office of the secretary of family and social services to enter into an agreement in which the department pays the state share of the Medicaid costs incurred for the inmate. Makes the sheriff the individual's authorized representative for applying for Medicaid for individuals subject to lawful detention who are potentially eligible for Medicaid. Requires a sheriff to enter into an agreement with the office of the secretary of family and social services to pay the state share of the Medicaid costs incurred for the individuals. Specifies reimbursement for the services provided.

Effective: July 1, 2015.

**Miller Patricia, Young R Michael,
Arnold J, Steele, Tallian, Stoops,
Breaux, Randolph**

January 6, 2015, read first time and referred to Committee on Corrections & Criminal Law.
January 20, 2015, amended, reported favorably — Do Pass.
January 22, 2015, read second time, ordered engrossed. Engrossed.
February 12, 2015, returned to second reading.
February 17, 2015, re-read second time, amended, ordered engrossed.

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Reprinted
February 18, 2015

First Regular Session 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

SENATE BILL No. 212

A BILL FOR AN ACT to amend the Indiana Code concerning Medicaid.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 11-10-3-6, AS AMENDED BY P.L.205-2013,
2 SECTION 169, IS AMENDED TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2015]: Sec. 6. (a) This section:
4 (1) does not apply in the case of a person who is subject to lawful
5 detention by a county sheriff and is:
6 (A) covered under private health coverage for health care
7 services; or
8 (B) willing to pay for the person's own health care services;
9 and
10 (2) **does not apply to an inmate receiving inpatient services**
11 **under section 7 of this chapter; and**
12 ~~(2)~~ (3) does not affect copayments required under section 5 of this
13 chapter.
14 (b) The following definitions apply throughout this section:
15 (1) "Charge description master" means a listing of the amount
16 charged by a hospital for each service, item, and procedure:

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- 1 (A) provided by the hospital; and
 2 (B) for which a separate charge exists.
 3 (2) "Health care service" means the following:
 4 (A) Medical care.
 5 (B) Dental care.
 6 (C) Eye care.
 7 (D) Any other health care related service.
 8 The term includes health care items and procedures.
 9 (c) Except as provided in subsection (d), when the department or a
 10 county is responsible for payment for health care services provided to
 11 a person who is committed to the department, the department shall
 12 reimburse:
 13 (1) a physician licensed under IC 25-22.5;
 14 (2) a hospital licensed under IC 16-21-2; or
 15 (3) another health care provider;
 16 for the cost of a health care service at the federal Medicare
 17 reimbursement rate for the health care service provided plus four
 18 percent (4%).
 19 (d) If there is no federal Medicare reimbursement rate for a health
 20 care service described in subsection (c), the department shall do the
 21 following:
 22 (1) If the health care service is provided by a hospital, the
 23 department shall reimburse the hospital an amount equal to
 24 sixty-five percent (65%) of the amount charged by the hospital
 25 according to the hospital's charge description master.
 26 (2) If the health care service is provided by a physician or another
 27 health care provider, the department shall reimburse the physician
 28 or health care provider an amount equal to sixty-five percent
 29 (65%) of the amount charged by the physician or health care
 30 provider.
 31 SECTION 2. IC 11-10-3-7, AS ADDED BY P.L.205-2013,
 32 SECTION 170, IS AMENDED TO READ AS FOLLOWS
 33 [EFFECTIVE JULY 1, 2015]: Sec. 7. (a) If the department or a county
 34 incurs medical care expenses in providing medical care to an inmate
 35 who is committed to the department and the medical care expenses are
 36 not reimbursed, the department or the county shall attempt to determine
 37 the amount, if any, of the medical care expenses that may be paid:
 38 (1) by a policy of insurance that is maintained by the inmate and
 39 that covers medical care, dental care, eye care, or any other health
 40 care related service; or
 41 (2) by Medicaid.
 42 (b) For an inmate who:



1 (1) is committed to the department and resides in a
2 department facility or jail;

3 (2) incurs or will incur medical care expenses that are not
4 otherwise reimbursable;

5 (3) is unwilling or unable to pay for the inmate's own health
6 care services; and

7 (4) is potentially eligible for Medicaid (IC 12-15);

8 the department is the inmate's Medicaid authorized representative
9 and may apply for Medicaid on behalf of the inmate.

10 (c) The department and the office of the secretary of family and
11 social services shall enter into a written memorandum of
12 understanding providing that the department shall reimburse the
13 office of the secretary for administrative costs and the state share
14 of the Medicaid costs incurred for an inmate.

15 (d) Reimbursement under this section for reimbursable health
16 care services provided by a health care provider, including a
17 hospital, to an inmate as an inpatient in a hospital must be as
18 follows:

19 (1) For inmates eligible and participating in the Indiana
20 check-up plan (IC 12-15-44.2), the reimbursement rates
21 described in IC 12-15-44.2-14.

22 (2) For inmates other than those described in subdivision (1)
23 who are eligible under the Medicaid program, the
24 reimbursement rates provided under the Medicaid program,
25 except that reimbursement for inpatient hospital services shall
26 be reimbursed at rates equal to the fee-for-service rates
27 described in IC 16-21-10-8(a)(1).

28 Hospital assessment fee funds collected under IC 16-21-10 or the
29 Indiana check-up plan trust fund (IC 12-15-44.2-17) may not be
30 used as the state share of Medicaid costs for the reimbursement of
31 health care services provided to the inmate as an inpatient in the
32 hospital.

33 SECTION 3. IC 11-12-5-5.5, AS AMENDED BY P.L.205-2011,
34 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 JULY 1, 2015]: Sec. 5.5. (a) As used in this section, "charge
36 description master" means a listing of the amount charged by a hospital
37 for each service, item, and procedure:

38 (1) provided by the hospital; and

39 (2) for which a separate charge exists.

40 (b) As used in this section, "health care services" includes health
41 care items and procedures.

42 (c) As used in this section, "lawful detention" means the following:



- (1) Arrest.
- (2) Custody following surrender in lieu of arrest.
- (3) Detention in a penal facility.
- (4) Detention for extradition or deportation.
- (5) Custody for purposes incident to any of the above, including transportation, medical diagnosis or treatment, court appearances, work, or recreation.

The term does not include supervision of a person on probation or parole or constraint incidental to release with or without bail.

(d) This section:

(1) does not apply in the case of a person who is subject to lawful detention by a county sheriff and is:

(A) covered under private health coverage for health care services; or

(B) willing to pay for the person's own health care services;
and

(2) does not apply to an inmate receiving inpatient services under IC 36-2-13-19; and

~~(2)~~ (3) does not affect copayments required under section 5 of this chapter.

(e) Except as provided in subsections (f) and (g), a county that is responsible for payment for health care services provided to a person who is subject to lawful detention by the county's sheriff shall reimburse:

(1) a physician licensed under IC 25-22.5;

(2) a hospital licensed under IC 16-21-2; or

(3) another health care provider;

for the cost of a health care service at the federal Medicare reimbursement rate for the health care service provided plus four percent (4%).

(f) Except as provided in subsection (g), if there is no federal Medicare reimbursement rate for a health care service described in subsection (e), the county shall do the following:

(1) If the health care service is provided by a hospital, the county shall reimburse the hospital an amount equal to sixty-five percent (65%) of the amount charged by the hospital according to the hospital's charge description master.

(2) If the health care service is provided by a physician or another health care provider, the county shall reimburse the physician or health care provider an amount equal to sixty-five percent (65%) of the amount charged by the physician or health care provider.



(g) A county described in subsection (e) or (f) may reimburse a health care provider described in subsection (e)(1), (e)(2), or (e)(3) at a lower reimbursement rate than the rate required by subsection (e) or (f) if the county enters into an agreement with a health care provider described in subsection (e)(1), (e)(2), or (e)(3) to reimburse the health care provider for a health care service at the lower reimbursement rate.

SECTION 4. IC 12-15-4-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 2.5. (a) The department of correction is, for an inmate described in IC 11-10-3-7(b), the inmate's Medicaid authorized representative.**

(b) A sheriff who:

(1) agrees to the requirements set forth in IC 36-2-13-19; and

(2) applies for Medicaid for a person who:

(A) is subject to lawful detention; and

(B) is described in IC 36-2-13-19;

is the inmate's Medicaid authorized representative.

SECTION 5. IC 36-2-13-19 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 19. (a) This section applies to a person who:**

(1) is subject to lawful detention;

(2) incurs or will incur medical care expenses that are not otherwise reimbursable during the lawful detention;

(3) is unwilling or unable to pay for the person's own health care services; and

(4) is potentially eligible for Medicaid (IC 12-15).

(b) For a person described in subsection (a), the sheriff is the person's Medicaid authorized representative and may apply for Medicaid on behalf of the person.

(c) A sheriff and the office of the secretary of family and social services shall enter into a written memorandum of understanding providing that the sheriff shall reimburse the office of the secretary for administrative costs and the state share of the Medicaid costs incurred for a person described in this section.

(d) Reimbursement under this section for reimbursable health care services provided by a health care provider, including a hospital, to a person as an inpatient in a hospital must be as follows:

(1) For individuals eligible under the Indiana check-up plan (IC 12-15-44.2), the reimbursement rates described in IC 12-15-44.2-14.



1 (2) For individuals other than those described in subdivision
 2 (1) who are eligible under the Medicaid program, the
 3 reimbursement rates provided under the Medicaid program,
 4 except that reimbursement for inpatient hospital services shall
 5 be reimbursed at rates equal to the fee-for-service rates
 6 described in IC 16-21-10-8(a)(1).

7 Hospital assessment fee funds collected under IC 16-21-10 or the
 8 Indiana check-up plan trust fund (IC 12-15-44.2-17) may not be
 9 used as the state share of Medicaid costs for the reimbursement of
 10 health care services provided to the person as an inpatient in the
 11 hospital.

12 (e) The state share of all claims reimbursed by Medicaid for a
 13 person described in subsection (a) shall be paid by the county.

14 SECTION 6. [EFFECTIVE JULY 1, 2015] (a) Before October 1,
 15 2016, the office of the secretary of family and social services shall
 16 report to the general assembly in an electronic format under
 17 IC 5-14-6 the following information:

18 (1) The number of individuals who received health care
 19 services under:

20 (A) IC 11-10-3-7(b), as amended by this act; and

21 (B) IC 36-2-13-19, as added by this act.

22 (2) The total reimbursement cost for these individuals.

23 (b) This SECTION expires December 31, 2016.



COMMITTEE REPORT

Madam President: The Senate Committee on Corrections and Criminal Law, to which was referred Senate Bill No. 212, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 13, delete ";" and insert "**and resides in a department facility or jail;**".

Page 1, line 15, delete "and".

Page 1, line 16, after "(3)" insert "**is unwilling or unable to pay for the inmate's own health care services; and (4)**".

Page 2, line 24, delete "and".

Page 2, line 25, after "(3)" insert "**is unwilling or unable to pay for the person's own health care services; and (4)**".

and when so amended that said bill do pass.

(Reference is to SB 212 as introduced.)

YOUNG R MICHAEL, Chairperson

Committee Vote: Yeas 8, Nays 0.

 SENATE MOTION

Madam President: I move that Engrossed SB 212, which is eligible for third reading, be returned to second reading for purposes of amendment.

MILLER PATRICIA

 SENATE MOTION

Madam President: I move that Senate Bill 212 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

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"SECTION 1. IC 11-10-3-6, AS AMENDED BY P.L.205-2013, SECTION 169, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. (a) This section:

(1) does not apply in the case of a person who is subject to lawful detention by a county sheriff and is:

(A) covered under private health coverage for health care services; or

(B) willing to pay for the person's own health care services;
~~and~~

(2) does not apply to an inmate receiving inpatient services under section 7 of this chapter; and

~~(2)~~ **(3)** does not affect copayments required under section 5 of this chapter.

(b) The following definitions apply throughout this section:

(1) "Charge description master" means a listing of the amount charged by a hospital for each service, item, and procedure:

(A) provided by the hospital; and

(B) for which a separate charge exists.

(2) "Health care service" means the following:

(A) Medical care.

(B) Dental care.

(C) Eye care.

(D) Any other health care related service.

The term includes health care items and procedures.

(c) Except as provided in subsection (d), when the department or a county is responsible for payment for health care services provided to a person who is committed to the department, the department shall reimburse:

(1) a physician licensed under IC 25-22.5;

(2) a hospital licensed under IC 16-21-2; or

(3) another health care provider;

for the cost of a health care service at the federal Medicare reimbursement rate for the health care service provided plus four percent (4%).

(d) If there is no federal Medicare reimbursement rate for a health care service described in subsection (c), the department shall do the following:

(1) If the health care service is provided by a hospital, the department shall reimburse the hospital an amount equal to sixty-five percent (65%) of the amount charged by the hospital according to the hospital's charge description master.



(2) If the health care service is provided by a physician or another health care provider, the department shall reimburse the physician or health care provider an amount equal to sixty-five percent (65%) of the amount charged by the physician or health care provider."

Page 1, line 15, after "incurs" insert "**or will incur**".

Page 2, line 9, after "for" insert "**administrative costs and**".

Page 2, between lines 10 and 11, begin a new paragraph and insert:

"(d) Reimbursement under this section for reimbursable health care services provided by a health care provider, including a hospital, to an inmate as an inpatient in a hospital must be as follows:

(1) For inmates eligible and participating in the Indiana check-up plan (IC 12-15-44.2), the reimbursement rates described in IC 12-15-44.2-14.

(2) For inmates other than those described in subdivision (1) who are eligible under the Medicaid program, the reimbursement rates provided under the Medicaid program, except that reimbursement for inpatient hospital services shall be reimbursed at rates equal to the fee-for-service rates described in IC 16-21-10-8(a)(1).

Hospital assessment fee funds collected under IC 16-21-10 or the Indiana check-up plan trust fund (IC 12-15-44.2-17) may not be used as the state share of Medicaid costs for the reimbursement of health care services provided to the inmate as an inpatient in the hospital.

SECTION 3. IC 11-12-5-5.5, AS AMENDED BY P.L.205-2011, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5.5. (a) As used in this section, "charge description master" means a listing of the amount charged by a hospital for each service, item, and procedure:

- (1) provided by the hospital; and
- (2) for which a separate charge exists.

(b) As used in this section, "health care services" includes health care items and procedures.

(c) As used in this section, "lawful detention" means the following:

- (1) Arrest.
- (2) Custody following surrender in lieu of arrest.
- (3) Detention in a penal facility.
- (4) Detention for extradition or deportation.



(5) Custody for purposes incident to any of the above, including transportation, medical diagnosis or treatment, court appearances, work, or recreation.

The term does not include supervision of a person on probation or parole or constraint incidental to release with or without bail.

(d) This section:

(1) does not apply in the case of a person who is subject to lawful detention by a county sheriff and is:

(A) covered under private health coverage for health care services; or

(B) willing to pay for the person's own health care services;
and

(2) does not apply to an inmate receiving inpatient services under IC 36-2-13-19; and

~~(2)~~ (3) does not affect copayments required under section 5 of this chapter.

(e) Except as provided in subsections (f) and (g), a county that is responsible for payment for health care services provided to a person who is subject to lawful detention by the county's sheriff shall reimburse:

(1) a physician licensed under IC 25-22.5;

(2) a hospital licensed under IC 16-21-2; or

(3) another health care provider;

for the cost of a health care service at the federal Medicare reimbursement rate for the health care service provided plus four percent (4%).

(f) Except as provided in subsection (g), if there is no federal Medicare reimbursement rate for a health care service described in subsection (e), the county shall do the following:

(1) If the health care service is provided by a hospital, the county shall reimburse the hospital an amount equal to sixty-five percent (65%) of the amount charged by the hospital according to the hospital's charge description master.

(2) If the health care service is provided by a physician or another health care provider, the county shall reimburse the physician or health care provider an amount equal to sixty-five percent (65%) of the amount charged by the physician or health care provider.

(g) A county described in subsection (e) or (f) may reimburse a health care provider described in subsection (e)(1), (e)(2), or (e)(3) at a lower reimbursement rate than the rate required by subsection (e) or (f) if the county enters into an agreement with a health care provider described in subsection (e)(1), (e)(2), or (e)(3) to reimburse the health



care provider for a health care service at the lower reimbursement rate."

Page 2, line 20, after "(B)" insert **"is"**.

Page 2, line 26, after "incurs" insert **"or will incur"**.

Page 2, delete lines 31 through 39, begin a new paragraph and insert:

"(b) For a person described in subsection (a), the sheriff is the person's Medicaid authorized representative and may apply for Medicaid on behalf of the person.

(c) A sheriff and the office of the secretary of family and social services shall enter into a written memorandum of understanding providing that the sheriff shall reimburse the office of the secretary for administrative costs and the state share of the Medicaid costs incurred for a person described in this section.

(d) Reimbursement under this section for reimbursable health care services provided by a health care provider, including a hospital, to a person as an inpatient in a hospital must be as follows:

(1) For individuals eligible under the Indiana check-up plan (IC 12-15-44.2), the reimbursement rates described in IC 12-15-44.2-14.

(2) For individuals other than those described in subdivision (1) who are eligible under the Medicaid program, the reimbursement rates provided under the Medicaid program, except that reimbursement for inpatient hospital services shall be reimbursed at rates equal to the fee-for-service rates described in IC 16-21-10-8(a)(1).

Hospital assessment fee funds collected under IC 16-21-10 or the Indiana check-up plan trust fund (IC 12-15-44.2-17) may not be used as the state share of Medicaid costs for the reimbursement of health care services provided to the person as an inpatient in the hospital.

(e) The state share of all claims reimbursed by Medicaid for a person described in subsection (a) shall be paid by the county.

SECTION 6. [EFFECTIVE JULY 1, 2015] (a) Before October 1, 2016, the office of the secretary of family and social services shall report to the general assembly in an electronic format under IC 5-14-6 the following information:

(1) The number of individuals who received health care services under:

(A) IC 11-10-3-7(b), as amended by this act; and

(B) IC 36-2-13-19, as added by this act.



(2) The total reimbursement cost for these individuals.

(b) This SECTION expires December 31, 2016."

Renumber all SECTIONS consecutively.

(Reference is to SB 212 as printed January 21, 2015.)

MILLER PATRICIA

